Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

In the Matter of the Joint Application of)
Service Electric Telephone Company, LLC, Transferor)))
and) WC Docket No. 21
Service Electric Cable T.V., Inc. Transferee	ý)
for authority pursuant to Section 214 of the Communications Act of 1934, as amended, to Transfer Certain Customers and Assets)))

JOINT APPLICATION

I. <u>INTRODUCTION</u>

Pursuant to Section 214 of the Communications Act of 1934, as amended ("the Act"), ¹ and Sections 63.03, 63.04, and 63.24 of the Commission's rules, ² Service Electric Telephone Company, LLC ("SET" or "Transferor", FRN: 0007911175) and Service Electric Cable T.V., Inc. ("SECTV" or Transferee, FRN: 003250073) (collectively, the "Applicants") respectfully request the Commission's consent to the transfer of certain customers and assets from SET to SECTV.³

Under the terms of a Redemption and Sale Agreement dated October 1, 2018 between SET, SECTV and Ironton Telephone Company ("ITC") (the "Transaction"), SECTV will acquire most of the customer base of SET along with certain customer contracts, documents, and records in exchange

² 47 C.F.R. §§ 63.03, 63.04, and 63.24.

¹ 47 U.S.C. § 214.

³ It is not clear Section 214 of the Act and Section 63 of the Commission's rules apply to SECTV as an interconnected VoIP provider. Applicants are filing this application based on the suggestion of staff and out of an abundance of caution.

for cash and SECTV's 50% ownership interest in SET.⁴

Applicants submit that the request for approval of the transfer of customers and related assets should be subject to streamlined processing pursuant to 47 C.F.R. § 63.03(b)(1)(ii). SECTV provides cable, internet and VoIP service and is, therefore, not a telecommunications provider. The Transaction is small, involves small companies, a CLEC and cable television company, and does not raise competitive or public interest issues. SET will transfer less than 10,000 access lines, many of which are already VoIP lines, to SECTV. Any transferred lines that are TDM will become VoIP upon the transfer to SECTV. SET will likely retain less than 1,000 access lines, including some TDM lines. The two Applicants involved are small privately held companies, operating in competitive markets in well-populated eastern Pennsylvania and northern New Jersey served by a number of other wireless, VoIP, cable and wireline carriers. This is exactly the type of transaction that the Commission should process under streamlined procedures. No dominant carrier services are involved in any way in the Transaction.

II. <u>DESCRIPTION OF THE PARTIES</u>

A. Service Electric Telephone, LLC

SET is a Pennsylvania limited liability company with principal business offices located at 4242 Mauch Chunk Road, Coplay, Pennsylvania 18037-2107. SET was formed as a joint venture between ITC and SECTV in the 1990s, with each company holding a 50% interest in SET. SET provides competitive local exchange service to customers in Pennsylvania and New Jersey. It also provides intrastate/interstate interexchange telephone services in those two states through its affiliate, Ironton Telephone Company Long Distance ("ITCLD"), which, is a wholly-owned subsidiary of ITC.

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⁴ A related transfer of control of SET under the terms of the Redemption and Sale Agreement is the subject of an application in WC Docket No. 21-272.

B. Service Electric Cable T.V., Inc.

SECTV is a Pennsylvania corporation with principal business offices located at 2200 Avenue A, Bethlehem, Pennsylvania 18017. SECTV provides business and residential cable, Internet, data and voice service in Pennsylvania and New Jersey. SECTV also offers bundled cable, Internet, data and voice service offerings. SECTV provides voice service via VoIP.

III. DETAILED DESCRIPTION OF THE PROPOSED TRANSACTION

Pursuant to a Redemption and Sale Agreement among the Applicants and ITC dated October 1, 2018 and not yet consummated, SECTV will acquire 100% of the customers of SET (excluding any customers that elect to remain with SET, were retained by SET under the Agreement, or select another service provider prior to closing) along with certain customer contracts, documents and records. SECTV will pay cash consideration for 50% of SET's customer base and will redeem its 50% ownership interest in SET in exchange for the remaining 50% of the SET customer base (subject to any customers that remain with SET, were retained by SET under the Agreement or select another provider). SECTV will provide voice services to the acquired customers via VoIP. As a result, any customers receiving TDM service from SET that are transferred to SECTV will be transitioned to VoIP service.

SET intends to continue to offer and provide TDM-based service as a Competitive Local Exchange Carrier in its Pennsylvania and New Jersey service areas. However, shortly after the closing of the Transaction, SET will change its name to something that does not include the words "Service Electric." It is possible in the future, that SET might change technologies, and discontinue TDM service. When and if that happens, SET will file a service discontinuance application, as appropriate.

In October 2018, SECTV provided notice of the Transaction to SET customers and outlined the potential timing of any transition. The notice provided SET customers the option of choosing

another provider. On November 26, 2018, SECTV filed notice of the Transaction with the FCC pursuant to Section 64.1120(e). The filing included a copy of the October 2018 notice provided to SET customers. The November 26, 2018 filing is available here https://ecfsapi.fcc.gov/file/11260593323378/FCC%20Transfer%20Notification%2011-26-2018.pdf.

SECTV, SET and ITC filed applications for approval of the Transaction with the New Jersey Board of Public Utilities on November 27, 2018 and the Pennsylvania Public Utility Commission on November 26, 2018. The New Jersey Board of Public Utilities approved the Transaction on December 16, 2019. The Pennsylvania Public Utility Commission approved the Transaction on August 10, 2021.

Given the lengthy delay in state commission approval, beginning September 5, 2019, SECTV began sending additional notices to SET customers. These subsequent notices included a Letter of Authorization ("LOA"). The letter "offered" service to the SET customers and required that each customer send the LOA to SECTV to expressly authorize transfer of the customer's service to SECTV. SECTV provided these notices to customers in phases in small groups, starting with the largest customers, to ensure a streamlined transition. SECTV also suspended notices due to the Covid-19 pandemic. Three hospitals in Pennsylvania that requested a transfer have been put on hold due to the ongoing pandemic.

When SET receives an LOA or other customer request to port his/her number to SECTV or another provider, SET processes the request and arranges for the customer's telephone number to port, following the customer's directions. Some customers have called or contacted SET after receiving notice and have informed SET that they would prefer to remain with SET. SET currently serves some of those customers via TDM technology and will continue to provide those retained customers service via TDM technology.

As of June 15, 2021, SET had ported out more than 2900 access lines at SECTV's request.

SET retained TDM-based customers in the residential, commercial, governmental and public safety

categories as of October, 2021. It is not possible to predict at this time how many TDM-based

customers will remain with SET when the Transaction closes, because that number is in flux. SET

will likely retain less than 1,000 access lines, some of which will be served by TDM.

Further, in connection with this transfer of customers, the Applicants will comply with the

streamlined procedures set forth in Section 64.1120(e) of the Commission's Rules, 5 including the

filing of a letter notification with the Commission and the provision of advance written notice to

affected customers. Applicants are submitting an updated customer notice with this Application and

in WC Docket No. 21-272. The customer notice explains to SET customers that they have a right to

remain with SET or to select another service provider. The notice also explains that a customer

receiving TDM-based service from SET will be transitioned to VoIP if the customer is transferred

to SECTV. The customer notice is attached herto as Exhibit A. SECTV will provide the customer

notice to SET customers beginning the week of November 22, 2021.

IV. **INFORMATION REQUIRED BY SECTION 63.04**

In support of the Applicants' request for consent to transfer SET's customer base to SECTV,

the following information is submitted in accordance with Section 63.04(a) of the Commission's

Rules.

1. The name, address and telephone number of each applicant:

Service Electric Telephone Company, LLC

4242 Mauch Chunk Rd.

Coplay, Pa. 18037

Tel: 610-841-4100

Fax: 610-841-0041

⁵ 47 C.F.R. § 64.1120(e).

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Service Electric Cable T.V., Inc.

2200 Avenue A

Bethlehem, Pa. 18017 Tel: 610-865-9100 Fax: 610-865-7888

2. The government, state, or territory under the laws of which each corporate or partnership applicant is organized:

SET: Pennsylvania

SECTV: Pennsylvania

3. The name, title, post office address, and telephone number of the officer or contact point, such as legal counsel, to whom correspondence concerning the application is to be addressed:

SET:

James H. Lister, Esq.

Elisabeth H. Ross, Esq.

Birch, Horton, Bittner & Cherot

1100 Connecticut Ave NW Suite 800

Washington, DC 20036

Tel: 202-862-8362 (Lister); 202-862 8350 (Ross)

Fax: 202-659-1027

Emails: jlister@bhb.com; eross@bhb.com

With a copy to:

Patricia Stewart, President Gale Bennett, Director of Service Operations Ironton Telephone Company Service Electric Tel. Co, LLC 4242 Mauch Chunk Road Coplay, Pa. 18037

Tel: 610-799-0225 Fax: 610-799-0031

Email: pstewart@ironton.com; gbennett@ironton.com

SECTV:

Jeffery Kelly Director of Engineering Service Electric Cable TV and Communications 2200 Avenue A Bethlehem, Pa. 18017

Tel: 610-625-8579

Email: kellyj@sectv.com

With a copy to:

Michael P. Donahue Marashlian & Donahue, PLLC The CommLaw Group 1430 Spring Hill Road, Suite 310 Tysons, Va. 22102

Tel: 703-714-1319 Fax: 703-563-6222

Email: mpd@CommLawGroup.com

4. The name, address, citizenship and principal business of any person or entity that directly or indirectly owns at least ten (10) percent of the equity of the applicant, and the percentage of equity owned by each of those entities (to the nearest one (1) percent):

Owners of 10% or more equity of SET:

- ITC 50% (U.S Company) 4242 Mauch Chunk Road, Coplay, Pennsylvania 18037. Principal businesss: Holding company and telecommunications and information service provider.
- SECTV 50% (U.S. Company) 2200 Avenue A 3rd Floor, Bethlehem, PA 18017. Principal business: Cable television, Internet, data and VoIP provider.

Owners of 10% or more equity of ITC:

- Patricia Stewart 50.48% (U.S. Citizen) (holds equity as individual family member)
 4242 Mauch Chunk Road, Coplay, Pennsylvania 18037. Principal business: ITC and SET.
- Carolyn George 15% (U.S. Citizen) (holds equity as individual family member) 4242 Mauch Chunk Road, Coplay, Pennsylvania 18037. Principal business: ITC and SET.
- Sonia Fink 18% (U.S. Citizen) (holds equity as individual family member) 4242
 Mauch Chunk Road, Coplay, Pennsylvania 18037. Principal business: ITC and SET.

Owners of 10% or more equity of SECTV:

- John M. Walson 50% (U.S. Citizen) Service Electric Cable T.V., Inc., 2200 Avenue A 3rd Floor, Bethlehem, PA 18017. Principal business: SECTV.
- Michelle Walson Kuykendall 49% (U.S. Citizen) Service Electric Cable T.V., Inc., 2200 Avenue A 3rd Floor, Bethlehem, PA 18017. Principal business: SECTV.
- 5. Certification pursuant to §§ 1.2001 through 1.2003 of this chapter that no party to the application is subject to a denial of Federal benefits pursuant to section 5301 of the Anti-Drug Abuse Act of 1988. See 21 U.S.C. 853:

The parties hereby certify, pursuant to 47 C.F.R. §§1.2001-1.2003 that no party to the present application is subject to denial of Federal benefits pursuant to section 5301 of the Anti-Drug Abuse Act of 1988.

6. A description of the Transaction:

See Item III above, entitled "Detailed Description of the Proposed Transaction."

7. A description of the geographic areas in which the transferor and transferee (and their affiliates) offer domestic telecommunications services, and what services are provided in each area:

SET: SET in Pennsylvania: SET is authorized to provide competitive local exchange services statewide (see below for the list of counties it serves). It also provides intrastate and interstate interexchange service in Pennsylvania through its affiliate ITCLD. It also provides VoIP service.

SET in New Jersey: SET is authorized to provide competitive local exchange in the New Jersey counties shown below. It provides intrastate and interstate interexchange service in those counties through its affiliate ITCLD. SET also provides VoIP service in New Jersey.

The Pennsylvania and New Jersey counties in which SET actively provides CLEC service are as follows:

PENNSYLVANIA

Bucks, Lackawanna, Lehigh, Clinton, Luzerne, Lycoming, Carbon, Monroe, Bradford, Columbia, Berks, Delaware, Chester, Montgomery, Montour, Northampton, Northumberland, Pike, Schuylkill, Snyder, Springfield Township, Union, Wayne

NEW JERSEY

Bergen, Essex, Hudson, Hunterdon, Middlesex, Monmouth, Morris, Ocean, Passaic, Somerset, Sussex, Union, Warren

SECTV: SECTV provides cable TV, Internet, data and VoIP services in Pennsylvania (Bucks, Lackawanna, Lehigh, Luzerne, Lycoming, Carbon, Monroe, Columbia, Berks, Chester, Montgomery, Montour, Northampton, Northumberland, Pike, Schuylkill, Snyder, Union, Wayne counties) and New Jersey. SECTV has a CLEC application pending in Pennsylvania and was granted provisional authority to provide local exchange services by the Pennsylvania Public Utility Commission August 19, 2021. Service Electric Cable T.V. of Hunterdon, Inc., located at 2200 Avenue A, Bethlehem, Pennsylvania 18017, is a Pennsylvania corporation registered to do business in New Jersey. Service Electric Cable T.V. of Hunterdon, Inc. provides business and residential internet, data and voice service (using Voice over Internet Protocol) in New Jersey.

ITC: ITC provides service as an ILEC within a small service area near Allentown (in three rate centers in Lehigh County Pa),⁶ and as a CLEC in Pennsylvania (broader area). ITC provides interstate and intrastate interexchange services in Pennsylvania through its affiliate ITCLD.⁷ ITCLD is not involved in the Transaction.

⁶ ITC does not receive any support from the federal High Cost Universal Service Fund.

⁷ ITC wholly owns ITCLD. ITCLD provides interstate/intrastate interexchange services in

The three rate centers ITC serves as an ILEC are:

NPA-NXX	Block	Rate Center	Region	LATA
610-769	A	Ironton	PA.	228
610-794	A	Allentown	PA.	228
		(Lehigh)		
610-799	A	Ironton	PA.	228

8. A statement as to how the application fits into one or more of the presumptive streamlined categories in this section or why it is otherwise appropriate for streamlined treatment:

The FCC should apply streamlined procedures to its processing of the Application. The Transaction should qualify for presumptive streamlined treatment under 47 CFR § 63.03(b)(1)(ii) because, Transferee, SECTV, is not a telecommunications provider. As discussed in Section I, SECTV provides voice service exclusively via VoIP.⁸

9. Identification of all other Commission applications related to the same transaction:

On June 16, 2021, SET, SECTV and ITC filed a domestic 214 transfer of control application in connection with SECTV's redemption of its current 50% ownership of SET. This application is pending in WC Docket No. 21-272. There are no other Commission applications pending related to the same transaction. On November 26, 2018, SECTV submitted a letter notifying the FCC that VoIP customers of SET will be transitioning to SECTV. In addition, concurrent with this application, SET and SECTV are submitting an updated customer notice in accordance with the streamlined procedures set forth in Section 64.1120(e) of the Commission's Rules. The Transaction has not yet closed.

10. A statement of whether the applicants are requesting special consideration because either party to the transaction is facing imminent business failure:

No Applicant is facing imminent business failure or requesting special consideration on that basis.

Pennsylvania to customers who are served by ITC and/or SET. ITC also wholly owns Ironton Global Networks, LLC ("Ironton Global") which provides VoIP/SIP-TSIP services in the broader geographic area encompassing Pennsylvania, New Jersey and 28 other states. Ironton Global is not involved in

the Transaction.

⁸ To the extent the FCC determines Section 63.03(b)(1)(ii) does not apply to this Transaction, the Application is eligible for streamlined treatment under Section 63.03(b)(2)(ii) for the same reasons provided in the transfer of control application in WC Docket No. 21-272.

11. Identification of any separately filed waiver requests being sought in conjunction with the transaction:

No separately filed waiver requests are being sought in conjunction with the proposed transaction.

12. A statement showing how grant of the application will serve the public interest, convenience and necessity, including any additional information that may be necessary to show the effect of the proposed transaction on competition in domestic markets:

The Transaction does not raise public interest concerns in light of the classifications and services of the parties. There are no apparent risks that the Transaction will cause competitive harm or raise public interest issues given the size of the companies, the competitive nature of their markets, the very small number of customer telecommunications lines impacted by the Transaction, and the nature of the Transaction.

SET provides competitive local exchange and VoIP services in portions of Pennsylvania and New Jersey, as well as intrastate and interstate interechange services through its affiliate ITLDC.

SECTV is a cable television company that does not provide regulated telecommunications service. SECTV's competitive position in the market is actually strengthened by gaining most of SET's customers. The Transaction enhances SET's and SECTV's core business operations, making each a stronger competitor. The Transaction's impacts on competition are positive.

The Transaction will allow the Applicants to expand their respective operations and compete more effectively in the telecommunications marketplace with a more simplified ownership structure. Post-Transaction, the Applicants will be better positioned to focus on their core competencies and service offerings. This will make the Applicants more efficient, putting them in the best position to provide innovative, competitive service to consumers to the benefit of the telecommunications marketplace.

V. <u>CONCLUSION</u>

Applicants respectfully request that the Commission consent to the transfer of customers and related assets of SET to SECTV.

Respectfully submitted,

By: /s

James H. Lister, Esq. Elisabeth H. Ross, Esq.

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Counsel for Ironton Telephone Company, and Service Electric Tel. Co., LLC.

By: /s/

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Email: mpd@CommLawGroup.com

Counsel for Service Electric Cable T.V., Inc.

Dated: November 15, 2021

Exhibit A

Customer Notice

Date October , 2021

Dear SERVICE ELECTRIC TELEPHONE Customer:

This letter is to inform you that Service Electric Cable T.V., Inc. (SECTV) has agreed to acquire assets from Service Electric Telephone, LLC (SET), formerly run in partnership with Ironton Telephone Company, LLC ("ITC"), including SET's Voice over Internet Protocol (VoIP) customers and traditional telephone customers, except those who affirmatively elect not to transfer their service to SECTV.

Subject to obtaining required state and federal regulatory approvals and unless you have made another decision regarding who your service provider will be prior to the date the transaction is finalized, your service will be transferred to SECTV. If you would like to remain with SET as your service provider, please contact SET at the number provided below. If you do not elect to remain with SET, or select another service provider, your service will be transferred to SECTV when the transaction is complete. The date the transaction is to be finalized it not yet known, but will be at least 30 days from today.

The rates, terms, and conditions for the service(s) to which you subscribe at the time of the transition will remain the same. Notice of any future changes in rates, terms, and conditions of SECTV's service will be provided to you as required by law. If your service is transferred to SECTV and you currently receive traditional telephone service, your service will be change to VoIP service when you transfer to SECTV. If you currently receive VoIP service from SET, you will continue to receive VoIP service from SECTV.

The rates, terms, and conditions for the SECTV business service to which your current SET business service will be transitioned will remain the same at the time of the transition. If you receive service under a contract with SET, this letter also notifies you that the contract will be assigned to SECTV upon completion of the transaction and that the rates, terms, and conditions of the contract will continue unchanged. Notice of any future changes in rates, terms, and conditions of SECTV's business service will be provided to you as required by law or by your contract

You always have the right to select another provider for your voice service, but we believe you will be completely satisfied with SECTV. You will not be charged any fees for the transfer to SECTV, and SECTV will be responsible for any carrier change fees that might apply as a result of such transfer. Please be aware once your account becomes an SECTV account, if you choose to select a new provider before your contract has expired, you may be subject to early termination fees through SECTV.

If you have placed a preferred carrier "freeze" on your telephone services to prevent their unauthorized transfer to another service provider, FCC rules require that the freeze be lifted at the time of the transfer to SECTV. At your request, SECTV can reestablish preferred carrier "freeze" protection for your account after the transfer; just give us a call at 610 865-9100. If you do not have a "freeze" on your account, no action is required. SECTV will gladly respond to any questions you may have about its service either prior to or during the transfer.

Until the transfer date, SET will continue to be responsible for your Telephone service.

You should contact SET at 610-841-4100 with any questions, complaints, or other customer service inquiries you may have prior to the transfer. After the transfer date, you should contact SECTV at 610-865-9100 with any questions.

Thank you and we look forward to continuing to serve you following the transition.

DECLARATION OF PATRICIA STEWART

I, Patricia Stewart, am the President of SET. The foregoing filing was prepared under my direction and supervision and the contents of the filing and the certifications contained therein are true and correct to the best of my knowledge, information and belief. I declare under penalty of perjury that the foregoing it true and correct.

Executed this 27 day of October, 2021

Jatricia LStewart
Patricia Stewart

DECLARATION OF JEFFERY J. KELLY

I, Jeffrey J. Kelly, am the Director of Engineering of SECTV. The foregoing filing was prepared under my direction and supervision and the contents of the filing and the certifications contained therein are true and correct to the best of my knowledge, information and belief. I declare under penalty of perjury that the foregoing it true and correct.

Executed this / day of November, 2021

Jeffery J. Kelly